

ILLEGIB

28 October 1959

MEMORANDUM FOR THE RECORD

SUBJECT: Resume of OCB Luncheon Meeting, 28 October 1959

PRESENT: Mr. Allen, Mr. Dulles, Mr. Gray, Mr. Harr,
Mr. Irwin, Mr. McCone, Mr. Murphy, Mr. Scribner,
Mr. Smith

1. Mr. McCone's Russian Trip

Mr. McCone gave a long and interesting account of his recent trip to the Soviet Union. Mr. McCone is planning to put most of the material he presented to the luncheon group into a report which will be circulated to CIA and his presentation, in part, duplicated his report to the USIB. These minutes, therefore, do not present his remarks fully.

One remark which Mr. McCone made, however, deserves comment. It appears to be inconsistent with presently available information. He stated that the Lenin was not provided with auxiliary diesel power for propulsion purposes. It does have auxiliary diesel power for production of its electric supply. Mr. Dulles had previously understood that the Lenin had stand-by diesel power for propulsion.

Mr. McCone stated that there was no question but that nuclear power was utilized on the trip which he made on the Lenin. He indicated that only two reactors of the three were used and that they operated at 60% of rated power. He added that 60% of rated power is normal during tuning up exercises.

Mr. McCone was impressed by the speed in which the Soviets can accomplish particular enterprises once they have been decided

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upon. He indicated that the speed of accomplishment was much greater than that which prevailed here. Mr. McCone told the luncheon group that he had not seen Khrushchev or any high political leaders and he had not tried to so do. He stated that he dealt solely with scientists in their scientific capacity. Mr. McCone emphasized that Mr. Y'emelyanov had avoided discussion of utilization of atomic energy for military purposes and that he had not been able to develop any useful information on this subject. Mr. McCone said that he was not able to get any useful information with regard to the Russian atomic aircraft program or to determine that they had a major interest in atomic aircraft. He found no indications that they were working on this subject other than in certain general fields.

Mr. McCone indicated that the Russians were greatly impressed with the progress being made in China. They appeared to consider the Chinese a nation of hard working people. Mr. Y'emelyanov told Mr. McCone that he had recently talked with one of their men who had recently returned from China. (Mr. McCone was present during Mr. Y'emelyanov's conversations with this individual but did not participate in the conversation because it was entirely in Russian.) This man told Mr. Y'emelyanov that in ten years Russia might be looking to China for information in certain fields rather than vice versa.

2. Balance of Payments

Mr. Scribner reported briefly to the Group on the balance of payments problem and the reasons for the recent Treasury action. He referred those present to the Anderson speeches before the International Bank and the Monetary Fund. Mr. Scribner also outlined the extent of the U.S. gold losses.

3. Cuba

Mr. Murphy gave a brief report on the situation in Cuba which he characterized as highly disturbing. Mr. Dulles provided additional information concerning this situation.


ALLEN W. DULLES
Director

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